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SEP 22 2003

**SURFACE
TRANSPORTATION BOARD**



September 17, 2003



VIA U.P.S. OVERNIGHT DELIVERY

Mr. Vernon Williams, Secretary
Surface Transportation Board
Section of Environmental Analysis
1925 "K" St., N.W., Room 504
Washington, DC 20423-0001

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Office of Proceedings

SEP 22 2003

Part of
Public Record

208940

**RE: Docket No. AB-33 (Sub-No. 157X), Union Pacific Railroad Company
-Discontinuance of Trackage Rights - In Monterey County, California
(Seaside Industrial Lead Between Castroville and Seaside, California)**

Dear Mr. Williams:

Pursuant to the Board's exemption procedures for discontinuance of trackage rights with no local business for at least two years, (49 C.F.R. 1152.50), enclosed are an original and ten (10) copies of a verified Notice of Exemption, including a Certificate of Service and Publication.

Please file the Notice of Exemption in Docket No. AB-33(Sub-No. 157X). Enclosed is a check in the amount of \$2,700.00 to cover the required filing fee. Three (3) computer disks, in WordPerfect format, are included for the Board's use.

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Office of Proceedings

SEP 22 2003

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Public Record

Sincerely yours,

FILED

SEP 22 2003

**SURFACE
TRANSPORTATION BOARD**

Enclosures-

O:\ABANDONMENT\33-157x\STB2.wpd

Mack H. Shumate, Jr.
Senior General Attorney, Law Department

UNION PACIFIC RAILROAD
101 N. Wacker Dr., Rm. 1920, Chicago, IL 60606-1718
ph. (312) 777-2055 fx. (312) 777-2065

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Office of Proceedings

SEP 22 2003

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Public Record

Before the
SURFACE TRANSPORTATION BOARD

Docket No. AB-33 (Sub-No. 157X)

UNION PACIFIC RAILROAD COMPANY
-- DISCONTINUANCE OF TRACKAGE RIGHTS --
IN MONTEREY COUNTY, CA
(SEASIDE INDUSTRIAL LEAD BETWEEN CASTROVILLE, CA AND SEASIDE, CA)



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NOTICE OF EXEMPTION

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SURFACE
TRANSPORTATION BOARD

UNION PACIFIC RAILROAD COMPANY

Mack H. Shumate, Jr., Senior General Attorney
101 North Wacker Drive, Room 1920
Chicago, Illinois 60606
(312) 777-2055
(312) 777-2065 FAX

Dated: September 17, 2003
Filed: September 18, 2003

Before the
SURFACE TRANSPORTATION BOARD

Docket No. AB-33 (Sub-No. 157X)

UNION PACIFIC RAILROAD COMPANY
-- DISCONTINUANCE OF TRackage RIGHTS --
IN MONTEREY COUNTY, CA
(SEASIDE INDUSTRIAL LEAD BETWEEN CASTROVILLE, CA AND SEASIDE, CA)



NOTICE OF EXEMPTION

Union Pacific Railroad Company ("UP") submits this verified Notice of Exemption pursuant to 49 § C.F.R. 1152, Subpart F -- Exempt Abandonments and Discontinuances of Service and Trackage Rights, for an exempt discontinuance of the UP's reserved trackage rights over the Seaside Industrial Lead from milepost 110.2 near Castroville to the end of the track at milepost 123.3 near Seaside, a distance of 13.1 miles in Monterey County, California (the "Line").

Proposed Consummation Date: 49 C.F.R. § 1152.50 (d)(2)

The discontinuance of trackage rights is proposed to be consummated on or after November 7, 2003 (at least 50 days after filing the Notice of Exemption).

Certification: 49 C.F.R. 1152.50(b)

UP certifies that no local traffic has moved over the Line for at least two years; and that no formal complaint filed by a user of rail service on the Line (or filed by a state or local governmental entity acting on behalf of such user) regarding cessation of service over the Line either is pending with this Board or any U.S. District Court or has been decided in favor of the complainant within the two-year period.

UP further certifies that the Line has been sold to the Transportation Agency for Monterey County, California ("TAMC") effective September 12, 2003 (the "Line Sale"). In accordance with the terms of the Line Sale, UP reserved trackage rights for freight operations over the Line. TAMC has filed a Notice of Exempt Acquisition for the entire Line with the Board with the stated understanding that UP would file for abandonment of the Line after the Line Sale was complete. In that UP has closed the sale of the Line to TAMC and TAMC is now the owner of the Line, and in that TAMC has filed its Notice of Exempt Acquisition with the Board to institute passenger service on the Line, UP no longer has any need nor desire to maintain the reserved trackage rights for freight operations over the Line and by this Notice of Exemption hereby undertakes the discontinuance of such reserved trackage rights through this Notice of Exemption.

Additional Information Required: 49 C.F.R. 1152.22(a)(1)-(4), (7)-(8) and (e)(4)

(a) General.

(a)(1) The railroad's exact name is Union Pacific Railroad Company.

(a)(2) UP is a common carrier by railroad subject to 49 U.S.C. Subtitle IV, Chapter 105.

(a)(3) UP discontinues UP's trackage rights over the Line from milepost 110.2 near Castroville to the end of the track at milepost 123.3 near Seaside, a distance of 13.1 miles. The Line is located in Monterey County, California.

(a)(4) A map showing the location of the Line in conjunction with other rail lines, highways and major roads in the area is attached hereto as **Exhibit A** and hereby made a part hereof.

(a)(7) The representative to whom correspondence regarding this discontinuance of trackage rights should be sent is:

Mack H. Shumate, Jr., Senior General Attorney
Union Pacific Railroad Company
101 North Wacker Drive, Room 1920
Chicago, Illinois 60606
(312) 777-2055
(312) 777-2065 FAX

(a)(8) ZIP Code. The Line traverses U. S. Postal Service Zip Codes 95012 and 93955.

(e)(4) Rural and Community Impact. The Line was constructed in 1879 and 1880 by the Monterey Railroad. The Line is constructed with a combination of track material weights, mostly 90-pound, but also 110-pound and above. There is no local or overhead traffic on the Line. There appears to be no reasonable alternative to the discontinuance of trackage rights.

Given that the Line has not been used for local rail shipments for over twenty-four (24) months, there will be no effect on regional or local transportation systems and patterns and no diversion of traffic to other transportation systems or modes.

Based on information in the UP's possession, the Line over which UP is discontinuing its trackage rights does not contain federally granted right-of-way. In light of the Line Sale to TAMC, UP believes that the Line located in Seaside/Sand City may be suitable for other public purposes including roads or highways, other forms of mass transportation, conservation, energy production or transmission. The right-of-way for the Line consists of approximately 163.32 acres, all of which are non-reversionary. The Line passes through a designated coastal zone. UP is unaware of any adverse effects on local and existing land use plans. The City of Sand City, California is interested in the Line Sale and as a member agency of the Transportation Agency for Monterey County ("TAMC") will be working with TAMC to ensure an orderly transition of the Line

to TAMC. Comments by the City Administrator of Sand City, are attached hereto as **Exhibit B** and are hereby made a part hereof. These comments should be directed to TAMC as the new owner and operator of the Line rather than UP. Upon discontinuance of UP's trackage rights over the Line, UP will have no interest in the Line. A Delegation of maintenance and environmental obligations with regard to the Line have been included as part of the Line Sale.

The Line is adjacent to fair to good agricultural land and passes through several small towns. The topography varies from level to hilly. The north 5.2 mile portion of the Line runs through an agricultural area. The south 7.8 mile portion of the Line runs through an urban area on either side of a 4.55 mile stretch through Ft. Ord. Ft. Ord is a former military base now closed and proposed for large-scale private and public redevelopment. The right-of-way covered by the Line Sale is of varying widths, however, it is predominately 100 feet in width. There are segments of the Line's right-of-way in Castroville and Seaside of greater width. At these locations a mix of industrial and commercial uses are found adjacent to the UP's right-of-way. In general the topography is level and adjacent to existing public roads/highways, and it is generally at grade with adjoining property. Any documentation so related to the Line, including real estate documentation, in UP's possession regarding UP's real property interest in the Line will be made available upon request.

Labor Protection

The interests of railroad employees will be protected by the conditions discussed in Oregon Short Line Railroad Co. -- Abandonment -- Goshen , 360 ICC 91 (1979).

Certifications

Attached hereto as **Exhibit C** and hereby made a part hereof is a Certificate of Service and Publication pursuant to the notice requirements of 49 C.F.R. §§ 1152.50(d)(1), 1105.11 and 1105.12.

Environmental and Historic Report

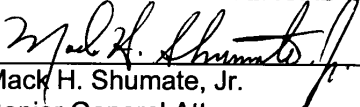
A copy of the Transmittal Letter of UP's Combined Environmental and Historic report containing the information required by 49 C.F.R. §§ 1105.7 (e) and 1105.8, and delivered in accordance with 49 C.F.R. 1105.11, is attached hereto as **Exhibit D** and hereby made a part hereof. The original and ten (10) copies were sent to Ms. Victoria Rutson, Section of Environmental Analysis (SEA), on July 24, 2003 and filed on July 25, 2003.

When the publication and Combined Environmental and Historic Report were made, UP still owned the Line and expected to file a Notice of Exemption to abandon the Line. However, since TAMC has acquired the Line, UP no longer has an abandonable interest in the Line. Rather, UP only has the trackage rights for freight operations retained by UP which are the subject of this Exemption Notice of Discontinuance of Trackage Rights.

Therefore, as referenced above, the discontinuance of UP's reserved trackage rights is proposed to be consummated on or after November 7, 2003, in accordance with 49 C.F.R. § 1152.50(d)(2).

Dated this 17th day of September, 2003.

Respectfully submitted,
UNION PACIFIC RAILROAD COMPANY

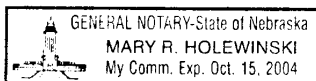

Mack H. Shumate, Jr.
Senior General Attorney

VERIFICATION

STATE OF NEBRASKA)
) ss:
COUNTY OF DOUGLAS)

I, RAYMOND E. ALLAMONG, JR., Manager Rail Line Planning of Union Pacific Railroad Company, declare under penalty of perjury, under the laws of the United States of America, that I have read the foregoing document and that its assertions are true and correct to the best of my knowledge, information and belief. I further declare that I am qualified and authorized to submit this verification on behalf of Union Pacific Railroad Company. I know that willful misstatements or omissions of material facts constitute Federal criminal violations punishable under 18 U.S.C. 1001 by imprisonment up to five years and fines up to \$10,000 for each offense. Additionally, I know that these misstatements are punishable as perjury under 18 U.S.C. 1621, which provides for fines up to \$2,000 or imprisonment up to five years for each offense.

Dated at Omaha, Nebraska, this twelfth day of September, 2003.

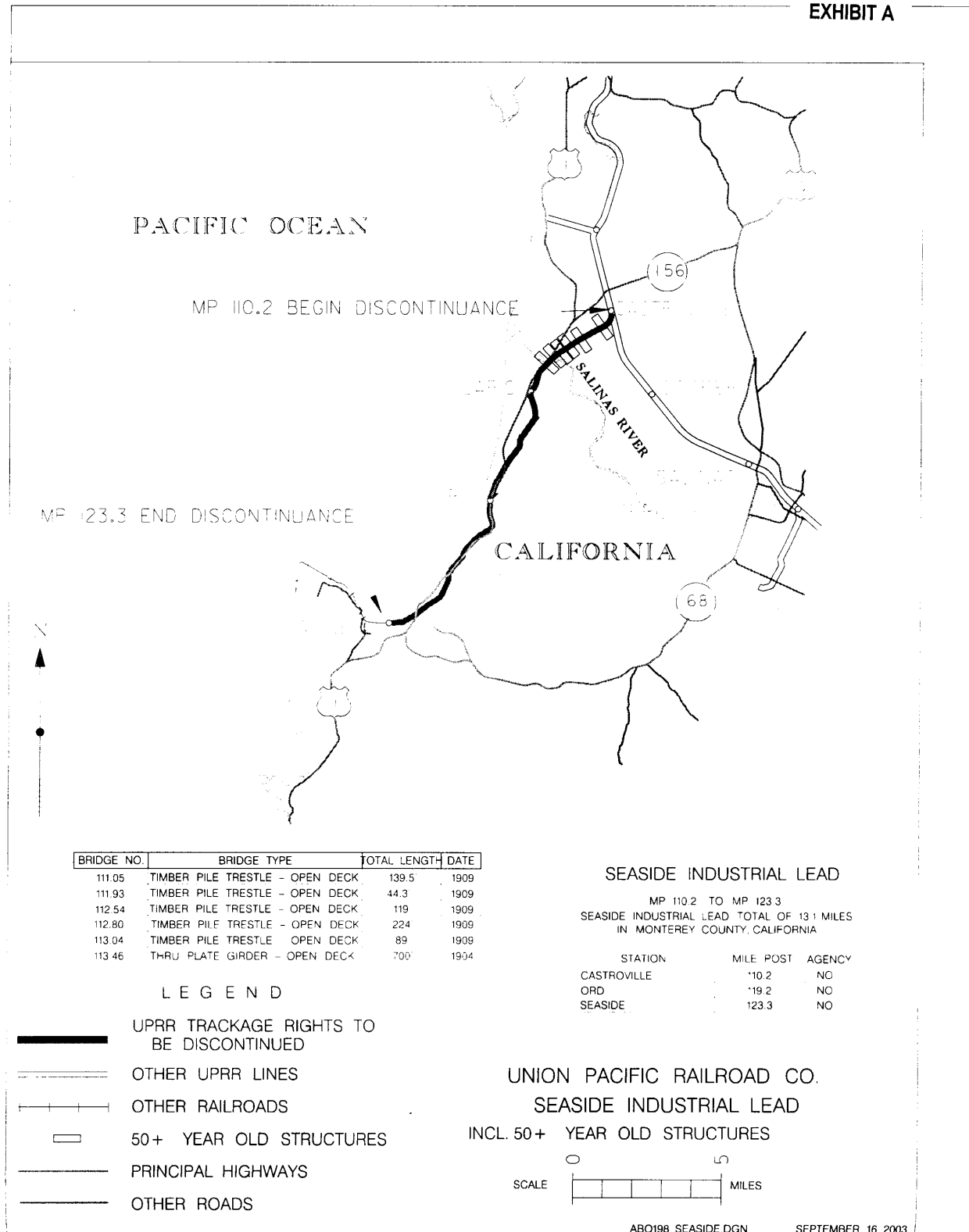


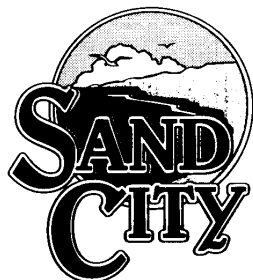
Raymond E. Allamong, Jr.
Raymond E. Allamong, Jr.

SUBSCRIBED AND SWORN TO
before me this twelfth day of
September, 2003.

Mary R. Holewinski
Notary Public

My Commission expires: October 15, 2004





July 29, 2003

Mr. Chuck Saylor
Union Pacific Railroad
1416 Dodge Street, Room 830
Omaha, NE 68179

Dear Mr. Saylor,

This is a response to your June 26, 2003 notice on the proposed abandonment of the Seaside Industrial Lead (rail line) from Castroville to Seaside, California. This rail line occupies a 100' wide strip through our entire city, and the status of this rail line and right-of-way (R.O.W.) are of critical concern to the City of Sand City and the Sand City Redevelopment Agency.

We responded to your December 1999 Notice of Abandonment and would still have some of the concerns that were raised in our response to that notice. (Please refer to the enclosed January 11, 2000 letter.)

It is our understanding that the Transportation Agency for Monterey County (TAMC) is in the process of acquiring this rail R.O.W. from Union Pacific. Sand City is a member agency of TAMC, and our City will be working with TAMC to ensure the orderly transition of the rail R.O.W. from Union Pacific to TAMC ownership.

In addition to our TAMC participation, I want to raise the following issues in response to the abandonment notice:

1. Abandoned rail lines can be poorly maintained and become unsightly blighted strips through urban areas. These unmaintained strips of R.O.W. can become negative influences on adjacent properties and create enforcement problems for adjacent local governments.

What are Union Pacific's plans for maintaining this abandoned rail line?

Sand City requests that adequate maintenance be provided for this abandoned rail line through our City.

2. A Phase II Site Assessment was recently prepared by Kleinfelder for TAMC on the 13-mile segment of rail R.O.W. being acquired by TAMC.

City Hall
1 Sylvan Park,
Sand City, CA
93955

Administration
(831) 394-3054

Planning
(831) 394-6700

FAX
(831) 394-2472

Police
(831) 394-1451

FAX
(831) 394-1038

Public Works
(831) 394-1386

FAX
(831) 394-8518

Incorporated
May 31, 1960

Chuck Salors Letter
July 29, 2003
Page 2

This Assessment indicated a number of "areas of concern" in the northern and southern halves of the rail alignment. The five areas of concern in the southern half of the rail R.O.W. are located in Sand City.


What are Union Pacific's plans for dealing with these "areas of concern"?

Sand City requests that these "areas of concern" in our City be addressed as soon as possible. Otherwise we will have to initiate enforcement actions to deal with these potential problems.

Sand City is very interested in the proposed abandonment of this rail line and wants to be kept informed about this process. Please send all notices, correspondence, meeting agendas, reports, etc. to:

Kelly Morgan, City Administrator
City of Sand City
1 Sylvan Park
Sand City, CA 93955
Fax: (831) 394-2472 / Phone: (831) 394-3054 ex. 12
Email: kelly@sandcity.org

Thank you for considering these comments.

Sincerely,

Kelly Morgan
City Administrator

Enc: January 11, 2000 Sand City Response Letter

cc: Sand City Council
Department Heads

DOCKET NO. AB-33 (SUB-NO. 157X)
Seaside Industrial Lead in Monterey County, CA

CERTIFICATE OF SERVICE AND PUBLICATION

49 C.F.R. § 1152.50(d)(1) - Notice

The undersigned certifies that on July 30, 2003 (at least 10 days before a Notice of Exemption is filed), written notice was given of Union Pacific's intent to use the exemption notice procedure to abandon the Seaside Industrial Lead in Monterey County, California in Docket No. AB-33 (Sub-No. 157X). Written notice (a copy of which is attached hereto as Attachment 1) was served on the following:

California Public Utilities Commission
505 Van Ness Avenue
San Francisco, CA 944102-3298

National Park Service
William D. Shaddox
Chief, Land Resources Division
1849 "C" St., N.W., #MS3540
Washington, DC 20240

U.S. Department of Agriculture
Chief of the Forest Service
4th Flr. N.W., Auditors Bldg.
14th St. & Independence Ave., SW
Washington, DC 20250

Military Traffic Management Command
Transportation Engr. Agency
Railroads for National Defense
720 Thimble Shoals Blvd., Su.130
Newport News, VA 23606-2574

49 C.F.R. § 1105.11 - Transmittal Letter For Applicant's Report

The undersigned certifies that on July 25, 2003 (at least 20 days before a Notice of Exemption is filed), a Combined Environmental and Historic Report

pursuant to 49 C.F.R. §§ 1105.7 and 1105.8 was served in Docket No. AB-33 (Sub-No. 157X) for abandonment of the Seaside Industrial Lead in Monterey County, California on the following:

- (1) State Clearinghouse (or alternate)
- (2) State Environmental Protection Agency
- (3) State Coastal Zone Management Agency
- (4) Head of each County
- (5) U.S. Environmental Protection Agency (regional office)
- (6) U.S. Fish and Wildlife Service
- (7) U.S. Army Corps of Engineers
- (8) National Park Service
- (9) U.S. Natural Resources Conservation Service
- (10) The National Geodetic Survey
- (11) State Historic Preservation Office
- (12) Other Agencies Consulted (as listed)

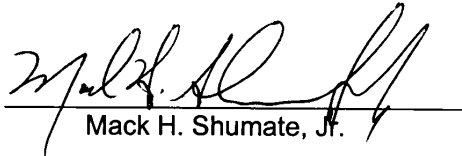
(The Certificate of Service attached to the Combined Environmental and Historic Report lists the names and addresses of the federal, state and local agencies served.)

49 C.F.R. § 1105.12 - Newspaper Notice

The undersigned further certifies that a "Notice of Intent to Abandon or to Discontinue Rail Service" was published in the form prescribed by the Board for a Notice of Exemption. The notice was published one time in a major newspaper in the county in which the Line is located as follows:

<u>County</u>	<u>Newspaper</u>	<u>Date</u>
Monterey	<i>Monterey County Herald</i>	August 14, 2003

Dated this 17th day of September, 2003.


Mack H. Shumate, Jr.

July 24, 2003



VIA U.P.S. OVERNIGHT

Surface Transportation Board
Section of Environmental Analysis
1925 "K" St., N.W., Room 504
Washington, DC 20423-0001

Attention: Victoria Rutson

RE: Docket No. AB-33 (Sub-No. 157X), Union Pacific Railroad Company
-Abandonment Exemption - In Monterey County, California
(Seaside Industrial Lead Between Castroville and Seaside, California)

Dear Ms. Rutson:

Enclosed for filing in the above-referenced docket is the original and ten (10) copies of a Combined Environmental and Historic Report prepared pursuant to 49 C.F.R. §1105.7 and §1105.8, with a Certificate of Service, and a transmittal letter pursuant to 49 C.F.R. §1105.11.

Union Pacific anticipates filing a Petition for Exemption in this matter on or after August 18, 2003.

Sincerely,

A handwritten signature in black ink, appearing to read "Mack H. Shumate, Jr.", followed by a stylized flourish.

Enclosures

O:\ABANDONMENTS\33-157X\STB-EHR.wpd

Mack H. Shumate, Jr.
Senior General Attorney, Law Department

UNION PACIFIC RAILROAD
101 N. Wacker Dr., Rm. 1920, Chicago, IL 60606-1718
ph. (312) 777-2055 fx. (312) 777-2065